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FISCAL IMPACT STATEMENT

LS 7210

BILL NUMBER: SB 300

NOTE PREPARED: Jan 3, 2011

BILL AMENDED:

SUBJECT: Automatic Renewal Clauses in Consumer Contracts.

FIRST AUTHOR: Sen. Taylor

FIRST SPONSOR:

BILL STATUS: As Introduced

FUNDS AFFECTED: **GENERAL**
 DEDICATED
 FEDERAL

IMPACT: No Fiscal Impact

Summary of Legislation: This bill requires a person who: (1) provides services or the service, maintenance, lease, sale, or repair of real or personal property; and (2) includes an automatic renewal clause in the person's contracts; to clearly and conspicuously in the contract and contract offer, disclose the automatic renewal clause and what actions the consumer must take to cancel the contract at the expiration of the contract term. It excludes certain transactions, policies, contracts, and agreements. It also makes it a rebuttable presumption that a person complied with the requirements if the person meets certain criteria regarding the person's routine business practices. It also provides that an automatic renewal clause is void if a person fails to comply with the requirements.

Effective Date: July 1, 2011.

Explanation of State Expenditures:

Explanation of State Revenues:

Explanation of Local Expenditures:

Explanation of Local Revenues:

State Agencies Affected:

Local Agencies Affected:

Information Sources:

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